



Instructions for Fiduciary Income Tax Return

Due Date:

Calendar year estates and trusts file a fiduciary income tax return on or before April 15th. Fiscal year estates and trusts file a fiduciary income tax return on or before the 15th day of the fourth month following the close of the fiscal year.

A fiduciary's taxable year and method of accounting are the same for Mississippi as for federal income tax purposes.



Who must file this return?

What is taxable?

What is not taxable?

For more information, go to http://www.dor.ms.gov/docs/indiv_8111011i.pdf

Instructions:

Type of Entity. - Select the type of Entity of the Fiduciary.

SSN - If Type of Entity is Bankruptcy, enter the Social Security Number of the Bankrupt Estate.

Number of MS K-1 Attached.

Attach a copy of the Mississippi Schedule K-1 issued to each beneficiary. Enter the number of Mississippi Schedule K-1's attached.

Date of decedent's death or date trust established. - If an Estate, enter the date of decedent's death. If a Trust, enter the date the trust was established.

Taxable Income or Loss of Fiduciary - Click the link and

complete Computation of Net Taxable Income

Income Tax - Income tax is calculated from the value of Taxable Income or Loss of Fiduciary.

Other Credits - Click the link and complete the Income Tax Credit Schedule.

Overpayment From Prior Year, Estimated Payments, and Payments With Extensions - Enter the total amount credited from a prior year overpayment, estimated payments, and amount paid with extension Form 80-180.

Amount of Overpayment Credited to Next Year - Enter the amount of Total Credits to credit to next year

Amount of Overpayment to be Refunded - The Amount of Overpayment Refunded is the difference between Total Credits and Amount Credited to Next Year.

Balance Due - Balance due is the tax amount due.

Penalty and Interest - If the return is late, you owe interest. The rate is 1% a month on the tax amount due or payable with this return.

If the return is late, you owe a penalty. The rate is ½% per month, or any part of a month, up to a maximum of 25% of the tax.

A late filing penalty is due if the return is not filed on time, including any extensions. The penalty is 5% of the amount due for each month, or any part of a month, not to exceed 25% of the tax due. The minimum late-filing penalty is \$100.

Total Due - The sum of 'Balance Due' and 'Penalty and Interest'.

Line by Line Instructions: Computation of Taxable Income

Line 1 - Enter the amount of Adjusted Total Income or Loss from federal Form 1041, page 1, Line 17.

Line 2 - Click the link and complete lines 2a - 2g by providing additions to federal income.

Line 2a - Income taxes are not deductible. Enter the amount of state, local and foreign government income taxes claimed as a deduction on federal Form 1041.

Line 2b - A deduction is not allowed for depletion that exceeds the cost basis of the asset. Enter the amount of depletion claimed on federal Form 1041 greater than the cost basis of the asset.

Line 2c - Interest is taxable on obligations of state or local governments outside Mississippi. Enter the amount of interest received by the fiduciary.

Line 2d - Expenses related to earning tax exempt income are not deductible. Enter the amount of expenses related to earning interest on U. S. Government obligations.

Line 2e - If you claim the standard deduction on Line 3e below, enter the amount of itemized deductions claimed on Line 17 of federal Form 1041.

Line 2f - Enter in the amount of MS QSST Income.

Line 2g - List each item treated differently for Mississippi than for federal income tax purposes. Include any income not included as a part of federal Form 1041, Line 17. Attach a schedule if needed.

Line 3 - Click the link and complete lines 3a-3g.

Line 3a - Interest received on U. S. Government obligations is not taxable. Enter the amount of interest from U.S. Government obligation reported on federal Form 1041.

Line 3b - Mississippi does not allow tax credits based on wages paid to employees. Enter the amount of wages reduced by employment tax credits (such as the Targeted Jobs Credit) on the federal Form 1041.

Line 3c - Enter the amount of capital gains on the sale of authorized shares in financial institutions domiciled in Mississippi and domestic corporations, or partnership

interests in domestic limited partnerships and domestic limited liability companies exempt from Mississippi tax. Attach Form 83-135.

Line 3d - Enter the amount of expenses related to earning the interest income reported on Line 2c. These expenses are not deducted on federal Form 1041 since related to tax-exempt income.

Line 3e - A standard deduction of \$ 1,700 is allowed to fiduciaries in lieu of itemized fiduciary expenses. If the standard deduction is claimed, complete Line 2e.

Lines 3f - If a non-resident fiduciary, enter the *net income* from non-Mississippi sources. This adjustment is to determine taxable income or loss for Mississippi purposes. Attach a schedule if needed.

Lines 3g - Deduct each item treated differently for Mississippi than for Federal income tax purposes. Attach a schedule if needed.

Line 4 - Add together Lines 1 - 3.

Line 5 - Complete Schedule K, Form 81-131. Deduct any income of the estate or trust *distributable* by the fiduciary to a beneficiary. This is done whether the income is actually distributed, or any income of the estate or trust is paid or credited during the year to a beneficiary.

Income distributed to non-residents of Mississippi from investments in intangibles (such as dividends, interest) located/based in Mississippi may be excluded from the non-resident's Mississippi taxable income. Income from other sources distributed or distributable to non-residents is included in gross income and reported on the return.

Line 6 - The estate tax deduction is the Mississippi estate tax attributable to the net value of all the items included in the estate that represent income of the decedent, less adjustment for distribution of this income to beneficiaries. Attach a schedule showing computation of deduction.

Line 7 - Estates and trusts are allowed the same exemptions allowed for federal purposes.

Estates \$ 600
Simple Trust \$ 300
Complex Trust \$ 100

Line 8 - Subtract Lines 5-7 from Line 4.

Submitting your Return

Select “**Submit**” on the main page of the return. Your password is your signature. By entering your password, you are declaring that the return is true, correct, and complete. You will receive a confirmation number.

Payment:

Select “Schedule a Payment Now” after submitting the return.

If a bank account is not saved to this account, enter the bank account type (checking or savings). Enter the Routing Number and Account Number.

You may save the bank information so that you do not need to re-enter the information when you make the next payment.

The payment date defaults to the current date. You cannot select a past date; however, you may choose a future date.



Returns and payments submitted after the due date are late and subject to penalties and interest.

Click “**Submit**” and re-enter your password as confirmation of your payment request. You will receive a confirmation number along with a summary of the payment request.

Other Payment Options:

✓ **ACH Credit-** If you want to submit payments by ACH credit through your financial institution, contact us at eftunit@dor.ms.gov and request ACH credit payment instructions.

✓ **Credit Card or Electronic Check-** You may pay by credit card or electronic check on <http://www.officialpayments.com>. There is a convenience fee charged by Official Payments. Mississippi's jurisdiction code is 3400.

OOPS!

If you make a mistake when filing your return or making a payment, you can withdraw the return or payment as long as the request is pending.

Change of address:

You can change addresses on file with the Department of Revenue through TAP. From TAP's main page, you may edit the mailing and/or physical address *for the business*. Change the address specific to this account from the fiduciary account page.

Amend return:

If you need to change a return already filed, select “View Return” and then “Change” from the menu on the left.